

2026 Legislative Preview: Housing Takes Center Stage

By Max Gross, AACAR Government Affairs Director

I'm an optimist. Every time a legislative body convenes with dreams of revitalizing the housing market and tackling affordability challenges, I often get excited about what can be accomplished. As the 2026 Maryland General Assembly legislative session kicks off this week, this optimism is as strong as ever. The first two weeks of the year have been full of events—from candidate fundraisers to economic forecasts to local Chamber of Commerce forums—in which housing policy is mentioned as a top priority.

But just because housing is taking center stage, doesn't mean the proposals are always good ones. Looking ahead at this year's legislative session, there is ample opportunity to make things much better for the housing market and the small businesses that sell them. But there is also ample, even well-intentioned opportunity for things to get worse. So as always, your state and local advocacy teams will be busy pushing for good proposals and protecting our members from the bad.

The Good

I'll start where I always do—with hope. The conditions for getting something done are excellent.

- Housing is a priority of the Governor: he issued an [executive order](#) to create [housing supply targets](#) after last session and announced support of a [package of three bills](#) which would address the issue.
- There is also a strong appetite from local governments and candidates on the issue, as well. Though we'll see below that this is more of a mixed blessing.
- As I've [written previously](#), there is a strong, emerging consensus among housing experts and even some politicians about what should be done to rebuild a robust housing market.
- And, of course, we have our team at Maryland REALTORS® doing great work communicating with elected officials about which policies

should be prioritized—which you can read about in the latest [Maryland REALTOR® Magazine](#) issue if you're curious about the policy framework.

With that level of political will and general consensus, we hope to make major progress on middle housing and starter homes; on transit-oriented development; on placing some residential units in and around commercial areas; on streamlining and easing the development process; and on issues around valuation and property taxes. There's also a proposal to use mapping software to create a user-friendly disclosure portal to streamline all the caveats and clauses that require special disclosures based on state laws.

The Bad

As is always the case, though, the best ideas are not the only ideas presented. Well-intended bills aimed at protecting tenants continue to be introduced even when the evidence indicates that such measures are more likely to constrain supply of rental homes (thus driving up prices long-term) than to lower prices in the near term. One needs only to look as far west as Montgomery County to see what can happen when a bill aimed at increasing rental affordability instead drives off investment. Multi-family housing units simply are [no longer being constructed](#).

And then there is the matter of the local governments where, unfortunately, our issues have become tied up in a bit of a turf war. Generally speaking, county and municipal governments have land use authority—determining the zoning and doing any level of urban planning. However, that system has been an ineffective tool at addressing the housing supply issues, primarily because housing policy impacts entire metropolitan areas and commuter networks, not just individual cities or counties or districts.

Thus, there has been a push from housing experts and from the current Maryland administration to place some level of control or override at the state level, rather than local. This conflict played a large role in blocking some promising housing legislation in last year's session, and the local governments were asked to come forward with solutions.

The package of priorities and issues on display in the [Maryland Association of Counties Issue Preview on housing](#) are less well-regarded and in some cases, directly harm REALTORS®. A provision calls for regulating/capping some real estate commissions in a manner that would be fiercely opposed by AACAR and Maryland REALTORS® if it makes it into any proposed legislation. We remain hopeful that the more egregious aspects of this proposal will find their way to the cutting room floor, and that the discussions will lead to a strong [compromise](#). But it's possible that we will need our members to help with that effort down the road.

The Rest

Of course, while a vibrant, active housing market is essential to our industry and to the economy of Maryland, there are several other issues that impact the industry and your business. On that front, the administration and the legislature have both stated a desire to avoid any new tax increases, which is good—but given the budget situation, we will be wary of any change.

Improving the general business environment in Maryland has also been listed as a major priority from multiple power players in the state government, which should be good! According to various metrics tracked by the Maryland Chamber of Commerce, Maryland ranks in the bottom 5-10 states.

Energy costs are squeezing residents and businesses and there is a bipartisan push to do *something* about that. There is, of course, less agreement on what to do.

Stay tuned in throughout session through our newsletter and get involved yourself by attending Maryland REALTORS® Lobby Day on February 11th! Space is very limited. Register [here](#).



Max Gross, Government
Affairs Director at the Anne
Arundel County Association of
REALTORS®

Email: max@aacar.com

Phone: 410-544-4554